

ORGANISATIONAL ENVIRONMENT STRATEGY AND TALENT ATTRACTION IN THE BANKING INDUSTRY IN KENYA

Hudson Mwangi Shiverenje, Mike Amuhaya Iravo, Josphat Kwasira
School of Business and Entrepreneurship, Jomo Kenyatta University of Agriculture and Technology,
Kenya

Corresponding Author's Email: shihud2008@gmail.com

Abstract

Attracting the best and talented workforce with the right mix of skills to a firm from the global labour markets is a crucial resourcing strategy that enables a firm to distinguish itself from others. Firms with outstanding innovative capacity and strategies and nurture creativity in the workplace are known to attract the best talent. The purpose of the study was to determine the effect of organisational environment strategy on talent attraction in the banking industry in Kenya. Signalling and job choice theory underpinned the study. The study utilised descriptive research design. It was carried out in 43 commercial banks in Nairobi City County, Kenya with a target population of 2216 operations Managers, human resource and marketing managers, supervisors and bank tellers. The sample size for the study was 339, selected using purposive, random and proportionate stratified sampling. Closed and open-ended questionnaires were used in data collection. Reliability was determined by piloting 34 questionnaires. A Cronbach's Alpha value of 0.719 was calculated, considered suitable for the study. Validity was guaranteed by expert review in the field of human resources and related literature. Descriptive and inferential statistics were used in data analysis. The findings revealed a strong correlation exists between organisational environment strategy and talent attraction ($r=0.837$, $p<0.01$). The model coefficient was found to be significantly different from zero ($t=6.517$, $p<0.001$). Organisational environment strategy explains (0.837²) 70.06 % of the variation in talent attraction. Further analysis showed that moderated organisational environment strategy had a statistically significant effect on talent attraction ($\beta = 0.212$, $P=0.004$). Thus, talent attraction mechanism had a significant moderating effect on organisational environment strategy and talent attraction in the banking industry in Kenya. The study recommends that banks should enhance working conditions to ensure they attract potential talents to sustain their competitive advantage.

Keywords: banking industry, organizational environment, talent attraction, talent attraction mechanism

Introduction

In a fast changing and competitive business world attracting the best skilled and right human resources to an employer is a crucial resourcing strategy that enables an employer to distinguish themselves from others. Nonetheless, there is intense rivalry in the shrinking labour market among firms globally for the same scarce, talented human capital. Thus, firms face the problem of having a hard time attracting potential talents in a tightening labour market. And keeping ahead on the technological front is very transient, the quality, innovativeness and commitment of HRs is what makes the difference in competition. Consequently, there is recognition that attracting the right people with the right skills mix and methodically aligning them with strategic business needs give the firm sustainable edge (Sahay, 2015; Chhabra & Sharma, 2014). Identifying talent is time consuming and costly and hence having adequate strategies to attract the best pool of quality and quantity individuals available from the labour market at minimal cost.

A survey by Deloitte Global Human Capital (2017) revealed that there is great pressure in talent sourcing. The survey states that there is extensive talent and skill shortages as staffs' demand for new careers and career models as technologies and innovations reshape the workforce

globally. In the current competitive market, attracting skilled human resources is no longer the solitary duty of human resource, but the top concern of business leadership. Equally, more than 83% of executives agree that acquiring talent is central to the growth of a business firm. Accordingly, being able to attract skilled and quality talent is a function of the entire business leadership that gives it sustainable edge over its competitors.

Besides, rarity of talents and global influence, are some of the factors driving competitive labour markets for skilled and talented workforce (Hagel, 2012). Likewise, attracting talents from their previous jobs, only an 11% rise in compensation is required to attract applicants who feel the employer value proposition (EVP) is desirable, while a 21% rise is needed to entice applicants who feel EVP is undesirable (CLC, 2006). Ronn (2007), Bhatnagar and Srivastava (2008) underscore the significance of talent resourcing process, and an effective management of the EVP enables firms to source from a deeper pool of talent from the labour market. Firms with managed EVPs are able to effectively source from more than 60% of the labour market, while firms with unmanaged EVPs are able to source from only 40% of the labour market. Improving EVP attractiveness reduces new-hire compensation premiums by up to 50%.

A survey carried out in Nigeria by the National Bureau of Statistics (2019) shows that with an average graduate annual churn-out of 600,000 and graduate unemployment rate of 38.1%, it may look like sourcing for workforces should be easy. Yet, getting a quality applicant out of a large pool is hard due to the quality of candidates and lack of workplace experience. Subsequently, numerous layers of tests and screening have been put in place at a great cost by firms to filter through the many applicants and select the best and most qualified. Moreover, Aloysius (2019) study among Nigerian graduates showed getting quality applicants out of large pool of applicants was hard due to the quality of applicants, lack of experience, ability and attributes that would enable graduates to gain special skills that will in return make them employable in the labour market.

Landelahni (2010) survey documented the challenges the financial sector was encountering in attracting and retaining workers as slow recovery for the sector, scarcity of crucial staff locally and globally and high mobility of staff. Hence, they need critical strategies in terms of skills growth, training and enhancement of talent management. Additionally, Global HR Trends (2014) survey shows that talent recruiting is undergoing rapid disruption, challenging firms to leverage social networks, aggressively market their employment brand, and re-recruit workers. Besides, respondents showed that talent acquisition as a major challenge in Kenya.

Talent acquisition (2019) survey revealed that attracting quality talent was a top challenge across most functions in Kenya, exclusively large firms cited 63% of respondents with over 500 staffs. Besides, the survey showed that the current job market swings heavily in favour of quality candidates. The survey recommends firms to critically assess how attractive they are to quality applicants. Thus, most firms face the challenge of attracting quality talent in Kenya. The survey shows sourcing and hiring talent can be hard, costly and time-consuming.

Chhabra and Sharma (2014) study identified common firm attributes preferred by job seekers as good corporate culture, innovative employer-novel work practices, supportive colleagues, recognition, good relationship with supervisor, customer oriented, and acceptance and belonging. Furthermore, Sokro (2012) study established that good working conditions provide a firm with sustainable competitive advantage in terms of talent attraction. The results further indicated that 78.2% of the respondents ranked good conditions of service first among the reasons why they decided to join an organization. This concurred with Wayne and Casper

(2012) study which revealed that a firm's reputation in diversity efforts significantly increased job seeker's intentions to pursue employment with an employer. Besides, a study by Gilmore and Williams (2009) established that a good working environment which uses strategies that promote cooperation and teamwork attract potential candidates to work for such a firm.

Studies by Amabile (1996) and Amabile and Mueller (2008) identified characteristics of organisational environments that promote creativity. These were work environment, organisational culture, organisational climate which referred to the shared perception of the work environment, including its policies, practices and procedures, freedom regarding the means available to complete the tasks, sufficient resources, challenging work, working teams characterised by diversity, supervisors' encouragement, with recognition of the employees' new ideas, efforts and successes, and recognition and support by the top leadership. These characteristics influence talent attraction in organizations.

However, despite several studies on the effect of organizational environment on talent attraction globally, few studies have been done in Kenya. A study by Njoroge (2017), using objective factor and equity theory, on environmental effects on recruitment at the Sarova Group of Hotels in Kenya revealed that working conditions, management style, remuneration and benefits, HR policies, image, brand and reputation, opportunities for growth, training and development, use of ICT, size of firm, mission, vision and objective affected recruitment.

Additionally, most empirical studies reviewed focused on college students as the sample in talent attraction study carried out in developed countries, with little evidence from developing nations (Galetic, Klindzic & Nukic, 2016; Wallace, Lings & Cameron, 2012; Genc, 2014; Jain & Bhatt, 2015). Also, differences in talent attraction strategies, sample period, sample size, sampling technique, geographical coverage, and choice of methodology have been cited as the main reasons for the different outcomes in literature. While there have been several studies on specific human capital resourcing strategies in Kenya, there has been little attention given to organizational environment as a strategic tool to be used by banks in talent attraction. Attracting candidates with the right experience, tasks and qualifications with the right skills, talent well-suited for firms has been a challenge. Therefore, it is against this background that the study sought to examine how organizational environment strategy can be used to attract the right talent in the banking industry in Kenya.

Objective of the Study

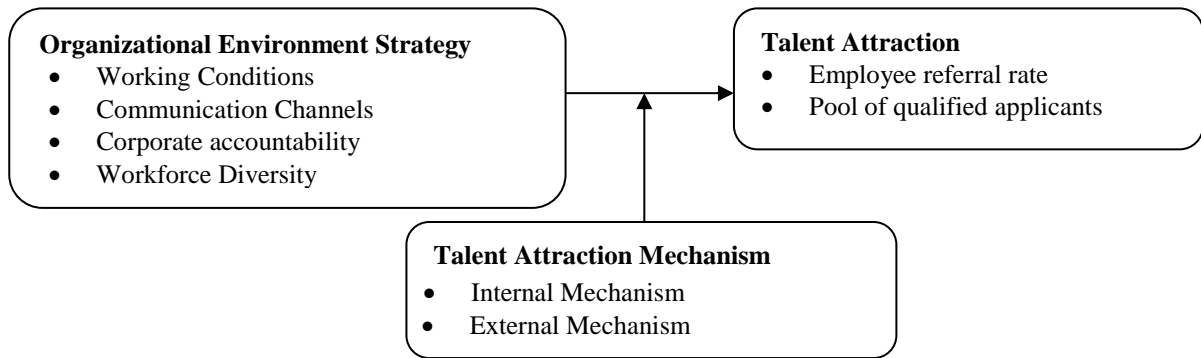
To determine the effect of organisational environment strategy on talent attraction in the banking industry in Kenya.

Research Hypothesis

H₀₁: Organizational environment strategy has no significant effect on talent attraction in the banking industry in Kenya.

Conceptual framework

Figure 1 demonstrates the association between organisational environment strategy, talent attraction mechanism and talent attraction in the banking industry in Kenya.



Independent Variables

Moderating Variable

Dependent Variable

Figure 1: Conceptual Framework.

Literature Review

Theoretical framework

According to Appiah-Padi (2014), the Job Choice Framework encompasses three theoretical classes that describe people's job choice decisions: objective theory, subjective theory, and critical contact theory. The theory's proponent was Behling, Labovitz and Gainer (1968). The theory postulates that recruitment choice is a function of analysis of certain tangible organisational factors existing within a firm. Thus, job seekers assess the job and employer qualities that fell under these diverse theories and then considered the salient features in terms of their relative status to the potential staff. A decision whether or not to accept a job or position was then made based on an overall index of appeal of the job (Behling et al., 1968; Taylor & Collins, 2000). These qualities are working environment, remuneration and benefits, policies, organisational structure, image of firm, brand and reputation, opportunities for career growth, nature of workmates, education, training and development opportunities, friendly managers, nature of work to be done, flexibility in work time, task variety, use of ICT and size of firm.

Michael Spence pioneered signalling theory in 1973, derived from economic research on the role of information possessed by buyer and seller and has been adopted to explain the interaction between job seekers and recruiting firms. This theory deals with reducing information asymmetry between potential job applicants and employers in labour markets. Spence (1974) observed that potential candidates tend to offer their services for a salary or price to employers in the job market. Although the job applicant may know his or her own skill level, such an intangible attribute may not be observed by the recruiting organization, so there is an information asymmetry between the individual applicant and the potential employer. Prospective employers lack data on the quality of job applicants. Hence, prospective job applicants acquire more skills and qualifications to signal their quality and reduce the asymmetry of information. This is possibly a credible signal that the rigours of higher education will not be able to tolerate lower quality applicants.

Signalling theory submits that since applicants do not have whole information about a firm, they interpret available information as signals about the firm's working conditions (Breaugh,

1992; Rynes, 1991). However, according to Rynes (1991), Schwab, Rynes and Aldag (1987) and Spence (1974), it is very hard for job seekers to get considerable data about many aspects of jobs prior to actually working in the firm, mainly in the initial stages of talent attraction when job seekers must decide which jobs to apply for or not. Thus, job seekers may use firms' reputations as signals that offer information about working conditions. Greening and Turban (2000) and Celani and Singh (2011) noted that potential employees can use this information to form their opinions about what it would be like to work for that firm.

According to Spence (1974), the theory provides a useful theoretical framework in elucidating how firm's attributes, such as innovative perks, training opportunities and ethical climate, can enhance firm's attractiveness and thus influence talent attraction. Specifically, Ehrhart and Ziegert (2005) noted that signalling theory has been applied in recruitment context and has the potential to describe the role of a number of variables in attraction, as virtually any characteristic observable to individuals can serve as a signal of actual firm's features and can shape perceived firm's attributes.

Moreover, integrating HR methods into the image of the employer might also be a favourable strategy to place the employer in the labour market and improve the attractiveness of the employer. Through interactive HR strategies, the staffs interpret the signal of a substance-oriented understanding of employment affiliation. In turn, more high-quality workers are likely to perceive the firm as a great place to work. Signalling theory thus has a critical part in this study as it helps in describing how probable applicants feel when they have sufficient information about the job and firm's attributes to make decisions about job choice. Thus, the theory offers insight on how firms could gain competitive edge in attracting best candidates, by increasing amount and quality of information accessible to applicants and enhancing talent attraction strategies.

Empirical literature review

Using brand equity and signalling theory, Wallace, Lings and Cameron (2012) examined factors that attract engineers and technicians to engineering careers in a weak brand profile rail industry in Australia. The results revealed that within the development benefits, gaining experience to support career progression, working in a firm that enhances career flexibility and recognition were significantly more vital than other facets. Also, the results showed that within interest benefits, the chance to work on interesting projects and industry provides an exciting work environment was rated the most vital facet, and for social benefits, working environment that provides a team atmosphere and relationships with managers were rated the highest rank.

Genc (2014) examined environmental factors affecting HR activities in Turkish large firms. Survey was used to gather from a total of top 500 large firms in Turkey. The results established that the priorities of top management, organisational culture and structure, the size of the firm, technological changes and employee's quality affected talent attraction. Furthermore, Galetic, Klindzic and Nukic (2016), using a survey method, examined reward strategies that are designed to attract, motivate and retain talented workers at Zagreb University. The study revealed significant differences in assigning importance to various non-material rewards by

students and employees, where the former assigned more importance to promotion opportunities, prestigious work position and job security while the latter assigned more importance to ethics, leadership, autonomy and teamwork. Designing total reward must allow a firm to remain competitive by being able to attract and acquire talent and signalling that the firm is a good place to work.

Pandey et al. (2017) study in IT firms in India among employees in IT firms and students from Symbiosis International University revealed that stress-free environment, workforce diversity, training and development, compensation and career progression were vital factors in talent attraction. Furthermore, the study revealed that workforce diversity helps firms in establishing a renowned brand image and shows that the firm is open to versatility in its talent pool and is cognizant towards the importance of maintaining a healthy balance in the male - female ratio. Islam, Habib and Pathan (2010) investigated factors that affect the recruitment process of commercial banks in Bangladesh. The study established that recruitment policy, top management decisions, HRP, size of firm, recruitment cost, growth and expansion, supply and demand, labour market, image, social-political and legal environment, unemployment rate and competitors affected hiring processes.

Using psychological contract theory, Sokro (2012) investigated the impact of employer branding on the recruiting and retaining of staff in Ghana's banking sector. Questionnaires were used to collect data from a sample of 115 staff of Accra and Tema Metropolis banks. The result indicated that 78.2% employees are attracted by good conditions of service offered by employers in the banking sector. Similar results were obtained by the Copenhagen Business School (2009) study which established that, in order of priority, working environment, challenging work responsibilities, competence development and work flexibility were most important variables in talent attraction.

Based on the motivation-hygiene theory, Park, Song, Kim and Lim (2015) investigated factors that affect the workplace in South Korea. Online questionnaire was distributed to 1,500 randomly selected job seekers and employed persons in various firms in South Korea. The study results identified employee welfare, pay, working hours, work environments and interpersonal relationships as factors which influence the perception of an employer as a great and thus influenced talent attraction. The study however, focused more on the general workplace environment in firm settings in South Korea. Van Gundy (1987) also labelled features of an organisational environment that can play a role in organisational creativity. From a review of research conducted in different work contexts, the study revealed several factors which enable creativity. These factors were autonomy, performance reward dependency, risk taking, tolerance of differences, personal commitment, top management support, high responsibility for initiating ideas, job security, and a moderate degree of ambiguity about the job environment.

Research Methodology

The study was carried out in 43 commercial banks in Nairobi City County, Kenya with a target population of 2216. It focused on determining the effect of organizational environment strategy on talent attraction in the banking industry in Kenya. The theory underpinning study was Job Choice and signalling theories. The unit respondents were 339 supervisors, bank tellers, marketing, operations and HR managers. Operations, marketing and HR managers were

purposely sampled due to experience, strategic role and information they have about commercial banks while supervisors and bank tellers were proportionally stratified (Kothari, 2011). The study utilized descriptive research since, according to Saunders, Lewis and Thornhill (2012) data can be analysed quantitatively using descriptive and inferential statistics.

Descriptive and inferential statistics were applied to analyse data using SPSS version V. 26. To test the hypothesis, regression analysis was used at 95% confidence level (level of significance = .05). To establish the precision of the statistics in the model diagnostic tests for multicollinearity, normality, linearity, heteroskedastic and autocorrelation tests were performed. The study utilized Yamane (1967) formula to arrive at sample size of 339 at P= 0.5 and confidence level of 95%. The purpose of using the Yamane (1967) formula was because of its precision, accuracy, simplicity, time saving, cost effectiveness, useful for homogenous populations, suitable for finite populations and wider usage.

$$n = \frac{N}{1 + N(e)^2}$$

Where,

n = sample size, N = total population, e = error margin/level of precision and 1 = constant

$$n = \frac{2216}{1 + 2215(0.05 \times 0.05)}$$

$$n = 339$$

The sample size of 339 respondents was used in the study. Furthermore, the study utilized proportional stratification formula to generate strata categories for supervisors and tellers;

$$n_i = \frac{N_i}{N} \times n$$

Where,

n_i =the sample size for the strata, N_i = the population size of the strata, N = the total population size and n = the total sample size. Nevertheless, operations, marketings and HR managers were purposely sampled since they are more experienced, occupy strategic roles and have access to vital information about the commercial bank.

Table 1: Sample size

Population Group	Population	Sample size
Operations Managers	43	43
HRM	43	43
Marketing Managers	43	43
Supervisors	634	64
Tellers	1, 453	146
Total	2,216	339

Model Specification

The following multiple linear regression equations were used in the analysis of data:

$$Y = \beta_0 + \beta_1 X_1 + \mu$$

Where: -

Y = Talent attraction, β_0 =constant - coefficient of intercept, X_1 = Organizational Environment, β_1 –partial slope coefficient for predictor variable and μ = error term

Results and Discussion

This study sought to determine the effect of organisational environment strategy on talent attraction in the banking industry in Kenya.

Descriptive statistics for organizational environment

The study sought to investigate the effect of organisational environment strategy on talent attractions. The results are shown in Table 2.

Table 2: Descriptive statistics for organisational environment strategy

CODE	Statement	Min	Max	Mean	SD
A ₁	Bank are accountable to stakeholders	1	5	4.252	0.891
A ₂	Bank provides good working condition	2	5	4.364	0.621
A ₃	Bank promotes diversity and inclusivity in management	1	5	3.477	0.888
A ₄	Bank has a clear system for communication among all job levels and departments	1	5	3.490	1.346
A ₅	Bank encourages use of teamwork in projects	1	5	4.195	0.759
A ₆	Bank has a fair system of appraising employees	2	5	4.298	0.656
		Average Mean = 4.013			

N=302, SD = Standard Deviation

The findings revealed that the banks are accountable to stakeholders. Moreover, the study revealed that banks provide good working conditions which could be interpreted to mean that a good working environment could lead to attracting potential employees to the banks. In addition, the study revealed that banks promote diversity and inclusivity in management. Additionally, the findings revealed that banks have a clear system for communication among all job levels and departments. The results further revealed that banks encourage use of teamwork in projects. This could mean that teamwork in projects encourages creativity and innovation and bonding among employees. This could be reflected in potential employees being attracted to working in banks. Lastly, the findings revealed that banks have a fair system of appraising employees. This could be interpreted to mean that they have a fair performance management system and thus it could be a tool for attracting potential employees.

This confirms Chhabra and Sharma (2014) study which identified common firm attributes preferred by job seekers as good corporate culture, innovative employer-novel work practices, supportive colleagues, recognition, good relationship with supervisor, customer oriented, and acceptance and belonging. This is consistent with Gilmore and Williams (2009) established that a good working environment which uses strategies that promote cooperation and teamwork attract potential candidates to work for such a firm. These findings are supported by Dante (2015) who noted that organisational environments characterised as supportive and employee-focused are associated with affective outcomes such as organisational commitment and talent attractions. A link exists between the organisational environment and talent levels within the firm. The organisational environment can also have an influence on employee perceptions of empowerment. A participative environment, for example, one which recognizes the critical

value of human capital to the success of a firm by respecting workers, and acknowledging their contribution, facilitates perceptions of empowerment.

Correlation between organisational environment and talent attraction

Table 3 shows the correlation between organizational environment and talent attraction.

Table 3: Correlation of variables matrix

Variable	Talent Attraction	
Organisational environment	Pearson's r (2-tailed)	.837**
	p-value	.001
	N	302

**Correlation is significant at the 0.01 level (2-tailed).

The findings show that there is exists a strong positive relationship between organisational environment and talent attraction (r=0.837, p<0.01). This suggests that organisational environment is related to talent attraction in the banking industry in Kenya. This is consistent with Sokro (2012) study which established that good working conditions provide a firm with sustainable competitive advantage in terms of talent attraction in Accra.

Descriptive statistics for talent attraction

Table 4 below gives the descriptive statistics for talent attraction

Table 4: Descriptive statistics for talent attraction

Statement	SA %	A %	N %	D %	SD %	Min	Max	Mean	SD
Bank's talent attraction mechanism has led to increased pool of qualified applicants	17.9	67.5	7.9	5.3	1.3	1	5	3.954	0.768
Bank's talent attraction mechanism has led to increased referral rate	6.0	61.3	18.5	10.3	3.3	1	5	3.566	0.878
Bank's organisational environment has led to increased referral rate for talent attraction	13	41.1	32.1	16.2	6.3	1	5	3.209	0.978
Bank's organisational environment has led to increased pool of qualified applicants for talent attraction	5.3	46.7	27.2	11.6	9.3	1	5	3.272	1.047
Average Mean = 3.5003									

N=302, SD = Standard Deviation

The study results indicate that the bank's talent attraction mechanism has led to increased pool of qualified applicants. Additionally, the results revealed that bank's talent attraction mechanism has led to increased referral rate. Furthermore, the findings show that the bank's talent attraction mechanism has led to increased rate of referrals. Lastly, the results indicate that the bank's organisational environment has led to increased pool of qualified applicants for talent attraction. The results are in agreement with study findings by Mello (2014), Armstrong (2008), Madia (2011) and Lockwood and Ansari (1999) which indicated that effective recruiting process ensures efficiency and generation of a qualified applicant pool, hiring the

people you wanted to hire on a relatively consistent basis and ensuring an optimal fit between employees and the strategic needs of the organization.

Regression model for organizational environment strategy

The study utilized a simple regression model to determine the effect of environmental organization strategy on talent attraction in the banking industry in Kenya. The model used was of the form;

$$Y = \beta_0 + \beta_1 X_1 + \mu$$

Model summary for organizational environment strategy

Table 5 shows the model summary for organizational environment strategy

Table 5: Model summary for organisational environment

Model	R	R ²	Adjusted R ²	R ² Change	F Change	df1	df2	P
1	0.837	0.701	0.711	0.701	2148.695	1	300	< .001

Table 5 shows R and R squared are 0.837 and 0.701 respectively. The findings indicates that a positive relationship exists between organisational environment and talent attraction, (r=0.837, p<0.01). This suggests that organisational environment explains (0.837²) 70.06 % of the variation in talent attraction.

ANOVA for organisational environment

Table 6 shows the results for ANOVA for organizational environment.

Table 6: ANOVA for organisational environment

Model		Sum of Squares	Df	Mean Square	F	P
1	Regression	55.889	1	55.889	2148.695	< .001
	Residual	7.803	300	0.026		
	Total	63.692	301			

A simple regression model fitted to the data with organisational environment as the independent variable and Talent Attraction as dependent variable and the model was found to be significant (F (1,300) =2148.7, p< 0.001) with R squared=0.7006 as indicated in Table 6.

Regression coefficients for organisational environment

Table 7 shows the regression coefficients for organisational environment

Table 7: Regression coefficients for organisational environment

Model		Unstandardized Coefficients		Standardised Coefficients	t	p
		B	Std Error	Beta		
1	(Constant)	3.787	0.026		143.053	< .001
2	(Intercept)	-0.081	0.084		-0.963	0.001
	Organisational Environment	0.989	0.021	0.837	46.354	< .001

1. Predictors: (Constant), Organisational Environment

2. Dependent Variable: Talent Attraction

The model coefficient was found to be significant (t=46.354, p< 0.001) as shown in Table 7. The model equation generated was thus;

$$Y = 3.787 + 0.989X_1,$$

which implies that for every unit measure of organisational environment it leads to 0.989 increase in Talent Attraction as shown in Table 7.

Hence, the null hypothesis based on the objective was rejected;

H₀: Organisational environment strategy has no significant influence on talent attraction in the banking industry in Kenya.

The results as indicated shows that organisational environment strategy had a significant influence (p = 0.010) at 5 percent confidence on talent attraction. Thus, the null hypothesis was rejected. By rejecting the null hypothesis, the findings showed that organisational environment strategy has a significant influence on talent attraction in the banking industry in Kenya.

Moderated effect

The coefficients analysis results of the moderated regression analysis were presented in table 8 below.

Table 8: Regression coefficients of moderated model

Model		Unstandardized Coefficients		Standardised Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.51	0.120		9.188	0.000
	Organisational environment	0.212	0.001	0.192	2.212	0.004

a. Dependent Variable: Talent attraction

As indicated in Table 8, the moderated organisational environment had a significant influence on talent attraction at a beta coefficient of 0.212 (p-value=0.004). The model output shows that a unit variation in organisational environment leads to 21.2% rise in talent attraction in the banking industry Kenya. The findings are in tandem with that of Sokro (2012) study which indicated that 78.2% employees are attracted by good conditions of service offered by

employers in the banking sector in Ghana. Similar results were obtained by the Copenhagen Business School (2009) study which established that, in order of priority, working environment, challenging work responsibilities, competence development and work flexibility were most important variables in talent attraction.

The results of hypothesis testing are indicated in table 9 which reveal that the organisational environment had a significant influence ($p = 0.010$) at 5 percent confidence on talent attraction after moderation. Therefore, the null hypothesis was rejected. By rejecting the null hypothesis, the results indicated that the organisational environment has a significant influence on talent attraction in the banking industry in Kenya.

Table 9: Summary of results for hypotheses testing

Hypothesis	Statement	β and P Values	Overall Change in Beta Value	Decision Rule
HO ₀₁	Talent attraction mechanisms does not moderate the relationship between OE and talent attraction	$\beta=0.212$ $p=0.010$	0.210	Null Hypothesis Rejected

Conclusion

The findings of the study revealed that organisational environment has a significant influence on talent attraction in the banking industry in Kenya. Furthermore, the study concludes that by enhancing working conditions, teamwork and diversity in making, banks are able to attract potential talents to sustain their competitive advantage. Consequently, enhancing organisational environment leads to increased pool of qualified applicant and employee referrals.

References

- Al Ashmawy, A., & Yazdanifard, R. (2019). A Review of the Role of Marketing in Recruitment and Talent Acquisition. *International Journal of Management, Accounting and Economics*, 6(7): 569-581.
- Aloo, V. A., & Moronge, M. (2014). The Effects of Employee Value Proposition on Performance of Commercial Banks in Kenya. *European Journal of Business Management*, 2(1), 141-161.
- Amabile, T. M. (1996). *Creativity and innovation in organisations*. Boston, MA: Harvard Business School Publishing (pp. 1–15), January 5. note 9-396-239.
- Amabile, T. M., & Mueller, J. S. (2008). Studying creativity, its processes, and its antecedents: An exploration of the componential theory of creativity. *Handbook of organisational creativity*, 3162.
- Amit, R., & Schoemaker, P. J. (1993). Strategic assets and organizational rent. *Strategic management journal*, 14(1), 33-46.
- Appiah-Padi, R. (2014). Job desirability: Chief academic officers opting out of the college presidency. *SAGE Open*, 4(3). 1-9
- App, S., Merk, J., & Büttgen, M. (2012). Employer branding: Sustainable HRM as a competitive advantage in the market for high-quality employees. *Management revue*, 262-278.

- Backhaus, K. (2016). Employer branding revisited. *Organization Management Journal*, 13(4), 193-201.
- Berthon, P., Ewing, M., & Hah, L. L. (2005). Captivating company: dimensions of attractiveness in employer branding. *International journal of advertising*, 24(2), 151-172.
- Bhatnagar, J., & Srivastava, P. (2008). Strategy for staffing: Employer branding & person organization fit. *Indian Journal of Industrial Relations*, 35-48.
- Bordens, K. S., & Abbott, B. B. (2008). Research methods and design: A process approach.
- Botha, A., Bussin, M., & De Swardt, L. (2011). An employer brand predictive model for talent attraction and retention. *SA Journal of Human Resource Management*, 9(1), 1-12.
- Celani, A., & Singh, P. (2011). Signalling theory and applicant attraction outcomes. *Personnel review*, 40(2), 222-238.
- Chartered Institute of Personnel and Development (2005). Recruitment, retention, and turnover: a survey of the UK and Ireland. London: CIPD.
- Chhabra, L.N., & Sharma, S. (2014). Employer branding: strategy for improving employer attractiveness. *International Journal of Organisational Analysis*, 22(1), 48-60.
- Cohen, J., & Cohen, P. (1997). Applied multiple regression/correlation analysis for the behavioural sciences. Hillsdale, NJ: Lawrence Erlbaum Associates, Inc.
- Cooper, J., & Schindler, M. (2008). Perfect Sample Size in Research. *New Jersey*.
- Council, C.L. (2005). State of the Workforce 2005: United Kingdom, Corporate Executive Board, Washington DC.
- Council, C. L. (2006). Attracting and retaining critical talent segments: Building a competitive employment value proposition. 2006.
- Creswell, J. (2013). Research Design: Qualitative, Quantitative & Mixed Method Analysis. Sage.
- DelVecchio, D., Jarvis, C. B., Klink, R. R., & Dineen, B. R. (2007). Leveraging brand equity to attract human capital. *Marketing Letters*, 18(3), 149-164.
- Devina, M., Astrini, M. R., & Syaibani, M. I. (2016). Employer Branding Strategies Effects on Job Pursuit Intention of Business School Undergraduates: Case Study of Oil Companies in Indonesia. *Journal of Entrepreneurship, Business and Economics*, 4(2), 1-39.
- Ehrhart, K. H., & Ziegert, J. C. (2005). Why are individuals attracted to organisations? *Journal of management*, 31(6), 901-919.
- El-Kot, G., & Leat, M. (2008). A survey of recruitment and selection practices in Egypt. *Education, Business and Society: Contemporary Middle Eastern Issues*, 1(3), 200-212.
- Flecke, L. K. (2016). *The Effectiveness of Recruitment Sources in Attracting Qualified Job Candidates* (Master's thesis, University of Twente).
- Galetic, L., Klindzic, M., & Nukic, I. S. (2016, June). Work experience related differences in non-financial rewards preferences. In *an Enterprise Odyssey. International Conference Proceedings* (p. 100). University of Zagreb, Faculty of Economics and Business.
- Genc, K. Y. (2014). Environmental factors affecting human resources management activities of Turkish large firms. *International Journal of Business and Management*, 9(11), 102-122.
- Gerhart, B. (2017). Incentives and pay for performance in the workplace. In *Advances in motivation science* (Vol. 4, pp. 91-140). Elsevier.
- Gërxxhani, K., & Koster, F. (2015). Making the right move. Investigating employers' recruitment strategies. *Personnel Review*, 44(5), 781-800.
- Gujarati, D. N. (2009). *Basic econometrics*. Tata McGraw-Hill Education.

- Hanson, D., Hitt, M. A., Ireland, R. D., & Hoskisson, R. E. (2016). *Strategic management: Competitiveness and globalisation*. Cengage AU.
- Harris, M. M., & Fink, L. S. (1987). A field study of applicant reactions to employment opportunities: Does the recruiter make a difference? *Personnel Psychology*, *40*(4), 765-784.
- Islam, N., Habib, M., & Pathan, R. (2010). Factors Affecting the Recruitment and Selection Process of Private Commercial Banks in Bangladesh. *The Journal of Global Commerce*, *2*(4). 1-14
- Jain, N., & Bhatt, P. (2015). Employment preferences of job applicants: unfolding employer branding determinants. *Journal of Management Development*, *34*(6), 634-652.
- Kashive, N., & Khanna, V. T. (2017). Building employee brand equity to influence organization attractiveness and firm performance. *International Journal of Business and Management*, *12*(2), 207.
- Kerlinger, F. (2006). *Foundation of Behaviour research* (8th. ed.). London. Surjeet Publishers.
- Khalid, S., & Tariq, S. (2015). Impact of Employer Brand on Recruitment and Selection Process. *Pakistan Economic and Social Review*, *53*(2), 351-372.
- Khan, R. N. (2017). Relationship between Reputation Perception and Job Pursuit Intention in Private Sector, *International Journal of Economics & Management Sciences*, *6*(3), 1-10.
- Kim, J., York, K. M., & Lim, J. S. (2011). The role of brands in recruitment: A mixed-brand strategy approach. *Marketing letters*, *22*(2), 165-179.
- Kothari, C. R. (2011). *Research methodology: Methods and techniques*. New Age International.
- Kucherov, D., & Zavyalova, E. (2012). HRD practices and talent management in the companies with the employer brand. *European Journal of Training and Development*, *36*(1), 86-104.
- Lepak, D. P., & Snell, S. A. (1999). The human resource architecture: Toward a theory of human capital allocation and development. *Academy of management review*, *24*(1), 31-48.
- Lievens, F. (2007). Employer branding in the Belgian Army: The importance of instrumental and symbolic beliefs for potential applicants, actual applicants, and military employees. *Human resource management*, *46*(1), 51-69.
- Lockwood, D., & Ansari, A. (1999). Recruiting and retaining scarce information technology talent: a focus group study. *Industrial Management & Data Systems*, *99*(6), 251-256.
- Love, L. F., & Singh, P. (2011). Workplace branding: Leveraging human resources management practices for competitive advantage through best employer surveys. *Journal of Business and Psychology*, *26*(2), 175.
- Madia, S. A. (2011). Best practices for using social media as a recruitment strategy. *Strategic HR Review*, *10*(6), 19-24.
- Mello, J. A. (2014). *Strategic human resource management*. Nelson Education.
- Mugenda, O. M., & Mugenda, A. G. (2008). *Research methodology. Qualitative and Quantitative Methods*.
- Muma, M. M., Ochego, C., Nzulwa, J., Ombui, K., Odhiambo, R., & Lumiti, P. A. (2019). Influence of Employer Branding Strategies on Retention of Employees in Universities in Kenya. *International Journal of Social Science and Humanities Research*, *7*(2), 68-95.
- Muthusi, F., Ogolla, G., & Kituku, G. (2019). Relationship Between Employer Branding Strategy and Employees Attraction in Mobile Service Providers in Nairobi County. *International Journal of Business Management and Finance*, *1*(24): 412-430.

- Myers, M. D. (2013). *Qualitative research in business and management*. Sage.
- Nachmias, C. F., & Nachmias, D. (2008). *Research Methods in Social Science*. (5th ed). London: St. Martin Press, Inc.
- Nalband, N. A., & Al Awadh, M. A. (2017). Employer Branding Practices in the Saudi Arabian Banking Sector. *Journal of Management Research*, 9(3), 31-48.
- Njoroge, W. (2017). *The Effect of Environmental Influences on Recruitment and Selection at the Sarova Group of Hotels* (Doctoral dissertation, UoN).
- Ooko, S. O., & Nzulwa, J. (2017). Influence of Employer Branding on Retention of Staff in Broadcasting Media Firms in Kenya. *The Strategic Journal of Business and Change Management*, 4(1), 201-215.
- Owino, A., & Kwasira, J. (2016). Influence of selected Green Human Resource Management practice on environmental sustainability. *Journal of human resource management*, 19-27.
- Pandey, S., Kaur, J. B, Bhatia, R., & Mishra, S. (2017). Employer Branding and Its Impact on Attraction and Retention in IT Firms: An Empirical Study. *International Journal of Advanced Research*, 5(2), 2450-2480.
- Priyadarshi, P. (2011). Employer brand image as predictor of employee satisfaction, affective commitment & turnover. *Indian Journal of Industrial Relations*, 510-522.
- Rao, P. (2010). A resource-based analysis of recruitment and selection practices of Indian software companies: A case study approach. *Journal of Indian Business Research*, 2(1), 32-51.
- Sahay, P. (2015). The complexity of recruiting. *Strategic HR Review*, 14(5), 182-187.
- Saunders, M., Lewis, P., & Thornhill, A. (2012). *Research methods for business students* (6th ed.). Pearson education.
- Schlechter, A., Thompson, N. C., & Bussin, M. (2015). Attractiveness of non-financial rewards for prospective knowledge workers: An experimental investigation. *Employee Relations*, 37(3), 274-295.
- Sivertzen, A. M., Nilsen, E. R., & Olafsen, A. H. (2013). Employer branding: employer attractiveness and the use of social media. *Journal of Product & Brand Management*, 22(7), 473-483.
- Sokro, E. (2012). Impact of employer branding on employee attraction and retention. *European Journal of Business and Management*, 4(18), 164-173.
- Tikson, S. D. S., Hamid, N., & Mardiana, R. (2018). Employer branding as a strategy to attract potential workforce. *BISNIS & BIROKRASI: Jurnal Ilmu Administrasi dan Organisasi*, 25(3), 4.
- Uggerslev, K. L., Fassina, N. E., & Kraichy, D. (2012). Recruiting through the stages: A meta-analytic test of predictors of applicant attraction at different stages of the recruiting process. *Personnel Psychology*, 65(3), 597-660.
- Van Gundy, A. (1987). Organisational creativity and innovation. *Frontiers of creativity research*, 358, 379.
- Wayne, J. H., & Casper, W. J. (2012). Why does firm reputation in human resource policies influence college students? The mechanisms underlying job pursuit intentions. *Human Resource Management*, 51(1), 121-142.
- Wazed, S., & Ng, E. S. (2015). College recruiting using social media: How to increase applicant reach and reduce recruiting costs. *Strategic HR Review*, 14(4), 135-141.
- Wilden, R., Gudergan, S., & Lings, I. (2010). Employer branding: strategic implications for staff recruitment. *Journal of Marketing Management*, 26(1-2), 56-73.